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Attorneys for Defendants

Allen Dalton Productions, LLC and

Allen Dalton

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

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**LYONS PARTNERSHIP, L.P.; HIT
ENTERTAINMENT, INC.; GULLANE
(DELAWARE) LLC; and THOMAS
LICENSING, LLC**

Plaintiffs,

-against-

**GREAT AMERICAN MASQUERADE, GAG,
GIFT & GADGET SHOP, INC. D/B/A
ABRACADABRA, PAUL BLUM, ALLEN
DALTON PRODUCTIONS, LLC, ALLEN
DALTON, CARRIE FEINER ENTERPRISES,
LLC, CARRIE FEINER, CROSS COUNTY
CHILDRENS ENTERTAINMENT, INC
D/B/A KID-O-ROBICS, BRUCE K.
MOGAVERO, AND VINCENT REVERDY
D/B/A CONNECTED EVEN CREATION,**

Defendants.

07 CV 7112 (RJS)

**ANSWER OF
DEFENDANTS ALLEN
DALTON PRODUCTIONS,
LLC AND ALLEN DALTON**

-----X
Defendants Allen Dalton Productions, LLC and Allen Dalton (the "Dalton Defendants"),
by their attorneys, Matalon & Shweky PLLC, for their Answer to the Complaint, allege:

1. The Dalton Defendants deny knowledge or information sufficient to form a belief
as to the truth of the allegations contained in paragraphs 1 and 2 of the Complaint.

2. No response is required to the allegations contained in paragraph 3 of the Complaint since they simply describe the nature of the action.

3. No response is required to the allegations contained in paragraphs 4-6 of the Complaint since they assert solely legal conclusions.

4. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 7-10 of the Complaint.

5. The Dalton Defendants admit the allegations contained in paragraph 11(a) of the Complaint that Allen Dalton Productions, LLC is, and at all relevant times was, a limited liability company organized and existing under the laws of New York with its principal place of business at 157 East 57th Street, New York, New York, and transacts substantial business in the District. The Dalton Defendants deny the remaining allegations contained in paragraph 11(a) of the Complaint. The Dalton Defendants deny the allegations contained in paragraph 11(b) of the Complaint that Allen Dalton personally participated in infringing activities or that Allen Dalton Productions engaged in infringing activities. The Dalton Defendants admit the remaining allegations contained in paragraph 11(b) of the Complaint.

6. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 12-67 of the Complaint.

7. The Dalton Defendants deny the allegations contained in paragraph 68 of the Complaint as they may apply to the Dalton Defendants. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraph 68 of the Complaint.

8. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 69 of the Complaint.

9. The Dalton Defendants deny the allegations contained in paragraph 70 of the Complaint.

10. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 71-74 of the Complaint.

11. The Dalton Defendants deny the allegations contained in paragraphs 75-80 of the Complaint as they may apply to the Dalton Defendants. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraphs 75-80 of the Complaint.

12. The Dalton Defendants deny the allegations contained in paragraph 81 of the Complaint.

13. No response is required to the allegations contained in paragraph 82 of the Complaint since they simply requests legal relief.

ANSWERING COUNT I

14. In response to paragraph 83 of the Complaint, the Dalton Defendants repeat and reallege their responses to the foregoing allegations.

15. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 84-85 of the Complaint.

16. The Dalton Defendants deny the allegations contained in paragraphs 86-91 of the Complaint as they may apply to the Dalton Defendants. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraphs 86-91 of the Complaint.

17. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 92 of the Complaint.

18. The Dalton Defendants deny the allegations contained in paragraphs 93-95 of the Complaint as they may apply to the Dalton Defendants. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraphs 93-95 of the Complaint.

19. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 96 of the Complaint.

20. The Dalton Defendants deny the allegations contained in paragraphs 97-104 of the Complaint as they may apply to the Dalton Defendants. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraphs 97-104 of the Complaint.

ANSWERING COUNT II

21. In response to paragraph 105 of the Complaint, the Dalton Defendants repeat and reallege their responses to the foregoing allegations.

22. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 106-110 of the Complaint.

23. The Dalton Defendants deny the allegations contained in paragraphs 111-113 of the Complaint as they may apply to the Dalton Defendants. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraphs 111-113 of the Complaint.

ANSWERING COUNT III

24. In response to paragraph 114 of the Complaint, the Dalton Defendants repeat and reallege their responses to the foregoing allegations.

25. The Dalton Defendants deny the allegations contained in paragraphs 115-118 of the Complaint as they may apply to the Dalton Defendants. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraphs 115-118 of the Complaint.

ANSWERING COUNT IV

26. In response to paragraph 119 of the Complaint, the Dalton Defendants repeat and reallege their responses to the foregoing allegations.

27. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 120-125 of the Complaint.

28. The Dalton Defendants deny the allegations contained in paragraph 126 of the Complaint as they may apply to the Dalton Defendants. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraph 126 of the Complaint.

29. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 127 of the Complaint.

30. The Dalton Defendants deny the allegations contained in paragraphs 128-131 of the Complaint as they may apply to the Dalton Defendants. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraphs 128-131 of the Complaint.

ANSWERING COUNT V

31. In response to paragraph 132 of the Complaint, the Dalton Defendants repeat and reallege their responses to the foregoing allegations.

32. The Dalton Defendants deny the allegations contained in paragraphs 133-136 of the Complaint as they may apply to the Dalton Defendants. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the remaining allegations contained in paragraphs 133-136 of the Complaint.

ANSWERING COUNT VII

33. In response to paragraph 137 of the Complaint, the Dalton Defendants repeat and reallege their responses to the foregoing allegations.

34. The Dalton Defendants deny the allegations contained in paragraphs 138-142 of the Complaint as they may apply to the Dalton Defendants. The Dalton Defendants deny

knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraphs 139-142 of the Complaint.

ANSWERING COUNT VII

35. In response to paragraph 143 of the Complaint, the Dalton Defendants repeat and reallege their responses to the foregoing allegations.

36. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 144 of the Complaint.

37. The Dalton Defendants deny the allegations contained in paragraphs 145-152 of the Complaint as they may apply to the Dalton Defendants. The Dalton Defendants deny knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraphs 145-152 of the Complaint.

FIRST AFFIRMATIVE DEFENSE

The Complaint fails to state a claim upon which relief may be granted against the Dalton Defendants.

SECOND AFFIRMATIVE DEFENSE

Any use of the allegedly protected property was done in good faith and without knowledge of any actual or potential infringement upon any rights of plaintiffs.

THIRD AFFIRMATIVE DEFENSE

The Complaint is barred in whole or in part by the doctrine of business and/or fair use.

FOURTH AFFIRMATIVE DEFENSE

Plaintiffs' damages, if any, are speculative and not recoverable.

FIFTH AFFIRMATIVE DEFENSE

Plaintiffs are not entitled to injunctive relief as against the Dalton Defendants because plaintiffs have not sustained, nor are they in imminent peril of sustaining, irreparable injury.

SIXTH AFFIRMATIVE DEFENSE

Any damages sustained by plaintiffs are barred by the fact that they are disproportionate to plaintiffs' actual loss, if any.

SEVENTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred by the statute of limitations.

EIGHTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred by the doctrine of laches.

NINTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred by unclean hands.

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WHEREFORE, defendants Allen Dalton Productions, LLC and Allen Dalton respectfully request that this Court enter an order and judgment;

(a) Dismissing the Complaint against defendants Allen Dalton Productions, LLC and Allen Dalton;

(b) Directing plaintiff to pay the reasonable attorney's fees and costs incurred by defendants Allen Dalton Productions, LLC and Allen Dalton in defending this action; and

(c) Granting such other and further relief as may be just and proper.

Dated: November 2, 2007

MATALON & SHWEKY PLLC

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